

**Motor Pool Equipment Rental Revolving Fund**

	<b>2005 Actual <sup>1</sup></b>	<b>2006 Adopted</b>	<b>2006 Estimated <sup>2</sup></b>	<b>2007 Adopted</b>	<b>2008 Projected <sup>3</sup></b>	<b>2009 Projected <sup>3</sup></b>
<b>Beginning Fund Balance</b>	7,641,700	2,782,893	3,394,808	2,358,927	1,105,329	931,476
<b>Revenues</b>						
* Garage Services & Supplies	197,001	144,018	144,018	172,153	177,318	182,637
* Investment Interest	197,579	79,143	79,143	74,003	40,342	34,615
* Sale of Equipment	229,933	368,039	368,039	395,543	326,260	363,086
* Other Miscellaneous Revenues	201,550	135,000	135,000	139,050	143,222	147,518
* Vehicle Rental Revenues	7,323,195	8,098,541	8,098,541	8,752,494	9,277,644	9,834,302
* Fund Balance Transfers - Orcas St. <sup>5</sup>		339,917	339,917	67,949	179,485	188,459
<b>Total Revenues</b>	<b>8,149,258</b>	<b>9,164,658</b>	<b>9,164,658</b>	<b>9,601,192</b>	<b>10,144,269</b>	<b>10,750,618</b>
<b>Expenditures</b>						
* Operating and Maintenance	(6,313,568)	(6,233,041)	(6,233,041)	(6,859,115)	(7,014,952)	(7,184,853)
* Capital Equipment Replacement	(3,834,290)	(3,680,394)	(3,680,394)	(3,955,427)	(3,262,595)	(3,630,859)
* Debt Service-Core Financial	(40,565)	(39,453)	(39,453)	(40,248)	(40,575)	(40,548)
* 2005-2006 Carryover Encumbrances			(247,651)			
<b>Total Expenditures</b>	<b>(10,188,423)</b>	<b>(9,952,888)</b>	<b>(10,200,539)</b>	<b>(10,854,791)</b>	<b>(10,318,122)</b>	<b>(10,856,260)</b>
<b>Estimated Underexpenditures</b>						
<b>Other Fund Transactions</b>						
* Fund Balance Reduction-Orcas St.	(2,197,187)					
Fund transfers from other agencies		339,917				
* Other Financial Transactions	(10,539)					
<b>Total Other Fund Transactions</b>	<b>(2,207,726)</b>	<b>339,917</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Fund Balance</b>	<b>3,394,808</b>	<b>2,334,580</b>	<b>2,358,927</b>	<b>1,105,329</b>	<b>931,476</b>	<b>825,834</b>
<b>Reserves &amp; Designations</b>						
* Allowance of Inventory	(58,318)	(86,706)	(86,706)	(89,307)	(91,986)	(94,746)
* Contingency for Capital Improvement	(249,714)	(264,742)	(264,742)	(285,851)	(298,944)	(316,865)
* 2005-2006 Carryover Encumbrances	(247,651)					
<b>Total Reserves &amp; Designations</b>	<b>(555,683)</b>	<b>(351,448)</b>	<b>(351,448)</b>	<b>(375,158)</b>	<b>(390,930)</b>	<b>(411,611)</b>
<b>Ending Undesignated Fund Balance</b>	<b>2,839,125</b>	<b>1,983,132</b>	<b>2,007,479</b>	<b>730,171</b>	<b>540,546</b>	<b>414,224</b>
<b>Projected Fleet Replacement Cost (PFRC)</b>	<b>26,439,630</b>	<b>26,486,552</b>	<b>26,486,552</b>	<b>27,715,360</b>	<b>28,546,821</b>	<b>29,403,225</b>
<b>Percent of Proj. Fleet Repl. Cost</b>	<b>11%</b>	<b>7%</b>	<b>8%</b>	<b>3%</b>	<b>2%</b>	<b>1%</b>
<b>Target Fund Balance- 10% of PFRC</b>	<b>2,643,963</b>	<b>2,648,655</b>	<b>2,648,655</b>	<b>2,771,536</b>	<b>2,854,682</b>	<b>2,940,323</b>
<b>Target Fund Balance- 20% of PFRC</b>	<b>5,287,926</b>	<b>5,297,310</b>	<b>5,297,310</b>	<b>5,543,072</b>	<b>5,709,364</b>	<b>5,880,645</b>

**Financial Plan Notes:**

<sup>1</sup> 2005 Actuals are from the 2005 CAFR.

<sup>2</sup> 2006 Estimated is based on annualized revenue & expenditure report.

<sup>3</sup> 2008 and 2009 Projected are based on the following assumptions:

- a) Assumes 4% annual percentage rate on investment earnings.
- b) Assumes sale of equipment is 10% of annual capital expenditures.
- c) Assumes 3% annual increase in miscellaneous revenues as well as in operating and maintenance costs.
- d) Capital expenditures are based on replacement schedule based on established replacement standards for each type of vehicle.
- e) Allowance for inventory is equal to inventory value at the beginning of each year per CAFR. Estimated increase 3% per year.
- f) Contingency for capital improvement is estimated at 3% of annual revenues.

<sup>4</sup> Target Fund Balance, as recommended by the County Auditor, is equal to a range of 10% to 20% of the Projected Replacement Cost of the Fleet (PFRC).

<sup>5</sup> Other Fleet funds share of the Orcas building O & M and lease costs.